

M E M O R A N D U M

RE: EUROPEAN TRIP, SEPTEMBER 12-22

FROM: DONALD K. HOEL

DATE: OCTOBER 3, 1978

I arrived in London on Wednesday morning, September 13. Paul Isenring came in from Lausanne that morning and we met at the Blakes Hotel to outline our agenda for the coming ten days. Jules Hartogh called me from Leeds Castle and asked that I meet with him and Ed Jacob at the Berklay Hotel at 4:00 p.m. that afternoon. Jules was driving to London from Leeds Castle with Dennis Durden and Ed Jacob. Paul and I met with Ed Jacob, Tim Finnegan, and Jules Hartogh at the Berklay Hotel and Ed Jacob gave me the following "briefing" on the Board of Governors meeting that had just taken place at Leeds Castle.

1. SAWP--This report was given by Dennis Durden and was apparently attended by Ed Jacob.

A. There is to be no international advertising campaign. It is okay for the individual countries to run "industry" type ads.

B. Fourth World Conference on Smoking and Health. There is to be no participation by the industry as such. A committee was appointed (Jules Hartogh--PME--and Murray Senkus--RJR) to coordinate the effort. ICOSI is going to try to use the Fourth World Conference to show its member companies and others of its credibility and reliability as an information source, etc. They want to provide uniform coverage of the event and try to prevent convergent statements issued by national associations, etc.

C. There apparently has been a tobacco trade workers request for a smoking issues conference. This request was made by a Mr. Rondou (?). The member companies are reluctant to discuss this further until the Secretary General of ICOSI has been appointed.

D. Social cost issue. This matter has been changed in title to Social Values. There has been a budget of some

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\$45,000 allocated to study the situation (??). Dennis Durden is in charge of this effort and they have been instructed to "stay clear of benefits." Dennis Durden is to report at the next meeting of the Executive Committee of ICOSI in Amsterdam early in 1979.

2. Interim Secretary General's office. This office is working under a temporary committee headed by Richard Hadden (BAT) and assisted by Paul Isenring and others.

3. EEC Task Force. Dieter von Specht gave this report. There has been increased pressure from Brussels to have the type of papers being worked on by the Task Force. He told that the group was working on two papers at this time, (1) a response to the Consumers Consultative Committee (smoking and health), and (2) a response to the Kramer paper which has been leaked to the news media (advertising). According to Ed, he was asked to meet with Dr. Bentley and Dieter von Specht to get his comments and make necessary changes on the CCC responsive paper. Ed gave me these changes later in the day.

The Executive Committee when they last met at Winston-Salem asked the Medical Behavior Research Group to review all papers touching on medical or scientific matters. This has apparently been modified or changed but Ed was rather vague in his explanation.

Dieter von Specht also mentioned that his group has asked various legal "authorities" to review the EEC laws on the authority of EEC to issue directives pertaining to advertising, etc.

Ed said that it was hoped that an advertising paper could be created. No assignment has yet been made pending a report from an organization engaged by one of the ICOSI members (or ICOSI itself) to review the advertising data in the various member countries. I believe the name of this company is Metra.

In addition, Mr. von Specht discussed the need for more unified approach to the lobbying of EEC officials and members of the European Parliament.

4. Ed reported on the Philip Morris slide presentation. He said this was well received and he had but a few minor suggestions which he later gave to me.

5. Ed said that he reported on the Washington, D. C. hearings, the Chicago hearings, the California situation, the Research Review Committee by the American industry, the upcoming

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Surgeon General's report, and the yet unscheduled oral contraceptive hearings. Ed said that he told of the activities of the Study of Social Acceptability of Smoking (SOSAOS) test ads. Ed distributed the Tobacco Institute press kit developed at the Washington, D. C. hearings together with the subsequently filed statements of the additional scientists. Dennis Durden is to collect the press coverage of the Washington hearings and send them to the members of ICOSI.

6. Ed briefly mentioned that there was to be a meeting in Copenhagen where the national trade associations were to be informed of the formation of ICOSI.

7. Role of the Medical Behavior Research Group. Ed said that this group's name had been changed to Scientific Technical and Advisory Group (STAG). Dr. Bentley has been appointed as chairman. In regard to the combined work regarding nitrosamines, it was determined that the individual companies will continue to work on the matter and will pool their results. (Apparently Dr. Bentley complained of an apparent charge given to the Medical Behavior Research Group in Winston-Salem to only come up with "favorable" work.) Ed reported that it was determined that papers produced by various ICOSI task forces may be referred to this group although there was no requirement that this be done. Apparently Mr. Sheehy of BAT made a rather strong statement against this group.

8. The public smoking paper previously prepared was discussed. Sections I, II and III were okayed. Section IV calling for action is to be written by the Social Acceptability Working Party.

Jules Hartogh said he felt the Board of Governors spent too much time and attention to minor details and did not give sufficient broad or overview direction to ICOSI.

[During later discussions with Jules Hartogh, he felt that Ed Jacob had given me a rather surface and unacceptable briefing.]

Ed Jacob, Tim Finnegan and I then went over some of the specific suggestions that he had concerning the wording in the Kramer response paper as well as those for the response to the Consumers Consultative Committee paper. Tim Finnegan was to make copies of this material and have it available for me when I arrived in Hamburg. Unfortunately, Mr. Finnegan was unable to fulfill this task and I did not see the marked or corrected papers until I came into the meeting room in Hamburg on September 15.

After leaving the meeting, Paul Isenring and I then met with Alex Holtzman where we had dinner. Jules Hartogh returned to

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Lausanne. Alex said that it was Jules' thought that Shook, Hardy & Bacon should be assigned to help Philip Morris Europe (Jules Hartogh) in the Fourth World Conference on Smoking and Health.

THURSDAY, SEPTEMBER 14. Paul Isenring and I met with Alex Holtzman at his hotel for breakfast. Thereafter, Alex and I attended a briefing that had been arranged by Sam Witt (RJR) at Ed Jacob's suite at the Berklay Hotel. Prior to attending this meeting, Alex and Paul and I discussed the request from Jules Hartogh and Paul Isenring that our firm try to schedule an attorney or analyst to come to Lausanne on a regular eight to ten-week interval basis to assist in the various matters that were requiring immediate attention. Alex gave this his approval and said for us to begin our schedule.

Alex and I then went to Ed Jacob's suite at the Berklay Hotel. Those in attendance in addition to Alex and I were Ed Jacob-Sam Witt, Alex Morini (BAT), Chris Fielden (Gallaher), Chris Jones (Imperial) and Ralph Whiting (I did not get the affiliation of the last named).

This was a rather "strange" meeting as Ed Jacob gave the attorneys a general briefing of the matters that had taken place at Leeds Castle. Some of the attorneys had already been briefed on the meetings and others had been in attendance at Leeds Castle. There was no discussion of any arrangement to set up a committee of counsel or similar structure in Europe.

During a portion of our discussion we learned that Dieter von Specht had not been informed of the "compendium" of comments by the Medical Behavior Research Group concerning the CCC response. Since Dieter von Specht had already left for Hamburg, I suggested to Alex Morini that he try to reach Richard Hadden or Dieter von Specht to make sure that Dieter got this information and was not "surprised" by it at the Friday meeting in Hamburg. Alex Morini called Richard Hadden and requested that he try to reach Dieter von Specht to alert him to a potential problem. Due to my flight schedule, I left the meeting as the group was adjourning for lunch. I do not know what discussions were had during the luncheon period. Alex Morini also left with me to return to his office.

I then met with Paul Isenring and we went to the airport together. We arrived in Hamburg in the late afternoon and met for dinner with the Task Force members. There was no business discussed during dinner.

FRIDAY, SEPTEMBER 15. The Task Force met at the Verband offices in Hamburg. Those in attendance were Dieter von Specht

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(assisted by Mr. Schlunk) Wilfried Dembach (RJR), Tim Finnegan, Trevor King (Imperial), Mulholland (Gallaher), Drs. König and Brückner (Verband), N. Doms, J. Wieckman (Reemtsma), Paul Isenring and myself.

Dieter von Specht told of the meeting at Leeds Castle and his separate meeting with Dr. Bentley and Ed Jacob concerning the Kramer paper. He passed out a new draft that the committee then turned to. After completing our comments, it was agreed that the paper would be retyped and sent by Dieter von Specht to tobacco trade associations within the EEC together with the appropriate officials within the EEC (Mr. Burke) and European Parliament.

Dieter von Specht then told of the October 12 meeting of the managing directors of the European trade associations in Copenhagen. There was some discussion of whether Philip Morris or R. J. Reynolds should inform the Tobacco Institute and this was not resolved. It was the apparent hope that the Tobacco Institute could attend if for no other reason than as an observer.

Martin Mullholland (Gallaher) reported on the interim office of ICOSI. Some of the tasks that the interim office could begin giving attention to were:

1. Organize a communication system. The working parties are to give monthly reports to the interim office. These are to be monitored and summarized by the staff of the interim office.

2. The interim office is to collect information on the tobacco situation in the various countries. It was hoped that the office could become a store house of such information. Summaries of the situations could be prepared and distributed to the members.

3. Association papers submitted to their own governments, etc., should be also submitted to and monitored by the interim office.

4. They are to prepare a list of information that should be maintained by ICOSI. An inventory could be prepared by each company and a selection made. This task was apparently assigned to Dr. Senkus.

5. The office could assist the EEC Task Force (Dieter von Specht) on EEC measures.

6. The interim office could begin serving as a clearing-house and coordinating body in regard to lobbying. Those officials seen, by whom, results, etc.

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It was then discussed that in regard to the October 12 meeting in Copenhagen, Kit Stewart Lockhart (chairman of the Executive Committee) would attend together with Dieter von Specht, Paul Isenring and Martin Mulholland to explain the objectives of ICOSI, the various committees and roles, etc. A major meeting of all associations is still being planned for 1979 to explain ICOSI and ask for help and suggestions. Mr. Mulholland then explained that Philip Morris Europe and R. J. Reynolds had been assigned the major effort to cover the Fourth World Conference on Smoking and Health in Stockholm. This was to be a "low key" undertaking to assemble and provide information to the various associations. The coordinators must have a plan ready for submission to the Executive Committee for the meeting scheduled in Amsterdam in February 1979.

Dieter von Specht then mentioned that ICOSI can only function to strengthen the position of the various national associations. The interim office therefore must be in a position to help the weaker associations.

Dr. König pointed out that there was a need to have a statement prepared for use by the ICOSI member companies concerning the formation of ICOSI. Martin Mulholland said that he will take this matter up with Kit Stewart Lockhart within the next few days in order that such a statement can be issued.

We then went over the response to the CQC paper and Tim Finnegan was assigned the task of having it retyped and submitted for approval. This was necessary since Trevor King (Imperial) made the request that he would like to see the final typed copy before giving his company's approval. I was requested to send to Tim Finnegan some additional carbon monoxide materials from the EEC. I subsequently did this while in Lausanne.

The next meeting of the Task Force was scheduled for December 5 and 6 in Lausanne, Switzerland, to be hosted by Philip Morris.

Subsequent to the meeting, Ernst Brückner asked if I could send him any court decisions pertaining to smoking in the workplace, etc. He also asked for information if available concerning the cost of separating smokers and nonsmokers in the workplace.

SATURDAY, SEPTEMBER 16. Paul Isenring and I flew to Lausanne, Switzerland. Paul Isenring, Tana Wells and I had a dinner meeting with Jules Hartogh at his home. We discussed matters pertaining to the Fourth World Conference.

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On MONDAY, SEPTEMBER 18, Jules Hartogh and I met separately at his office to discuss my ideas and suggestions for his consideration concerning the coverage of the Fourth World Conference on Smoking and Health. During this meeting, Jules was very firm in his belief that our firm should be engaged not only in assisting PME in its smoking and health efforts but also should be assigned as the chief counsel for ICOSI on matters of smoking and health. He said that he would be leaving soon for New York and Washington to discuss the Fourth World Conference and other matters with top executives in Philip Morris and to get what information he could from the Tobacco Institute in Washington, D. C. He said he certainly wanted to have the Institute representatives present in Copenhagen to observe the ICOSI briefing and to have them as a full and active participant on his "team."

TUESDAY, SEPTEMBER 19. I met with Paul Isenring and Tana Wells at the offices of PME in Lausanne. I gave them all of the materials from the Washington, D. C. hearings.

Paul told me about a program concerning tobacco and alcohol to be held in October in Zurich, Switzerland. Ernst Wynder was one of the participants. Paul is going to see to the coverage of this and provide us with any information that can be obtained there.

Frank Colby called while I was in Paul Isenring's office. Frank was in Hamburg, Germany, and wanted to give Paul some information concerning the Research Committee of the German Verband. Apparently this group is being substantially changed or done away with completely.

Colby told Paul Isenring that Ed Jacob had met with Drs. König and Adlkofer in London last week. I do not know the substance of this conversation but would imagine that it had to do with the carbon monoxide program, and/or nitrosamine research being considered by the Verband.

Subsequently I telephoned Dr. Gaisch in Neuchatel. He said that he knew about the nitrosamine research being proposed by the Verband but thought this undertaking had been "shelved." He said there would be another meeting of the Verband next week and he might learn something further. Paul asked Dr. Gaisch to send all the nitrosamine material to him and he would then forward it to me.

Dr. Gaisch said that he would also get together the papers on nicotine or compensation research being proposed by Adlkofer and send this material to Paul Isenring.

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Subsequently during the day I had a telephone conversation with Steffen Gunnerson in Munich. Apparently Steffen was being interviewed by a reporter and wanted to check some of his answers. I went over the material he read me and made suggestions. I also referred Steffen to the question and answer material he had received from the Corporate Affairs Department during the February 1978 S&H seminar.

Later in the day I met with Jules Hartogh who had just returned to Lausanne from an interview with a candidate for the Secretary General's position.

We then discussed the Philip Morris Europe audio visual presentation. Jules gave me some of his suggestions which I promised to work into my meeting with the film producer the following day in Lausanne.

WEDNESDAY, SEPTEMBER 20. I met with Tana Wells in regard to the ideas for the possible work to be accomplished by an analyst from SH&B coming to Lausanne in the near future. The materials and plans discussed were appropriate and arrangements were made for LeAnn Zimmerman to come to Europe at the first opportunity.

Later in the day Paul Isenring, Tana Wells, Owen Smith and I met with Marc Dulauroy of Adefi Company. We viewed the audio visual presentation which I thought to be overall quite good. I made some suggested changes in both the audio and visual content. (I have subsequently received the corrected script and have written to Paul Isenring with my additional comments.)

THURSDAY, SEPTEMBER 21. Paul Isenring, Tana Wells and I met with Dr. Heyning who had come in from Brussels to brief us on the current situation there. This is rather detailed and will be the subject of a separate memorandum. Dr. Heyning is to prepare two papers putting the EEC and European Parliament activities in perspective.

Late in the afternoon on the 21st I picked up Dr. Ted Sterling at the station. That evening Dr. Sterling was guest of honor at a dinner attended by Albert Bellot, Owen Smith, Tana Wells, Paul Isenring and myself. The following day Dr. Sterling was taken to Neuchatel to meet with some of the scientists and tour the plant. I returned to Kansas City on September 22.

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